



Ford canceling plans for \$1.6 billion plant in Mexico, investing \$700 million in Michigan expansion instead

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[Ford cancels plans for \\$1.6B plant in Mexico](#) 4 Hours Ago | 03:35

[Ford Motor](#), which had been bashed by Donald Trump for shipping jobs outside the U.S., announced Tuesday that it will cancel production of a \$1.6 billion plant in Mexico, and will instead invest \$700 million in Flat Rock, Michigan.

The U.S. auto giant said it will add 700 direct new jobs in Flat Rock to produce high-tech electrified and autonomous vehicles, plus the Ford Mustang and Lincoln Continental.

Ford had originally planned to build its Ford Focus in San Luis Potosi, Mexico. The company said it will continue to build its Focus at an existing plant in Hermosillo, Mexico, to improve company profitability.

Ford Chairman Bill Ford Jr. said he spoke with President-elect [Trump](#) on Tuesday morning to tell him of the decision to invest in the U.S. and cancel the Mexico plant, according to Reuters.

"We're also encouraged by the pro-growth policies that President-elect Trump and the new Congress have indicated that they will pursue," Ford President and CEO [Mark Fields](#) said in a statement.

A source told Reuters there were no negotiations between Trump and the company.

In Twitter posts, Trump claimed credit for Ford's announcement.

[@DanScavino: Ford to scrap Mexico plant, invest in Michigan due to Trump policies"](#)

[Instead of driving jobs and wealth away, AMERICA will become the world's great magnet for INNOVATION & JOB CREATION. https://instagram.com/p/BOz0xbXD74D/ – at Trump Tower](#)

During the final weeks of the presidential campaign, Trump slammed what he called Ford's "horrible" plans to move all small car production to Mexico within three years.

"It used to be cars were made in Flint and you couldn't drink the water in Mexico," he said in a September speech in Flint, Michigan. "Now the cars are made in Mexico, and you can't drink the water in Flint. That's not good." He was referring to the lead water crisis in the the Michigan city.

Trump also claimed that he helped stop [Ford from moving an entire factory from Kentucky to Mexico.](#)

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It is not clear how many jobs would have been impacted if the low-selling MKC had moved to Mexico.

Earlier Tuesday, Trump attacked [General Motors](#) on Twitter, saying the auto giant is making a [Chevy Cruze](#) model in Mexico and then sending them to U.S. dealers tax free. Trump had previously bragged about a deal with United Technologies unit Carrier to keep some jobs in Indiana.

Ford's changes are a part its plan to become an auto and mobility company. The company said it will invest \$4.5 billion in electrified vehicles by 2020.

"As more and more consumers around the world become interested in electrified vehicles, Ford is committed to being a leader in providing consumers with a broad range of electrified vehicles, services and solutions that make people's lives better," Fields said in the company's announcement.

The electrified vehicles announced on Tuesday include, fully electric small SUV, coming by 2020 and a hybrid version of its best-selling F-150 pickup.

<http://www.cnbc.com/2017/01/03/ford-canceling-plans-for-16-billion-plant-in-mexico-investing-700-million-in-michigan-expansion-instead.html>